

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
SOUTHERN DIVISION

SCOTT FARMS, INC.,	)	
	)	
Appellant,	)	
v.	)	
	)	<b>JUDGMENT</b>
WAYNE BAILEY, INC.,	)	No. 7:18-CV-186-D
	)	
Appellees.	)	

**Decision by Court.**

This action came before the Honorable James C. Dever III, United States District Judge, for ruling as follows:

**IT IS ORDERED, ADJUDGED, AND DECREED** that the court AFFIRMS the Bankruptcy Court's holding that PACA does not apply to the pack outs that occurred on September 15 and 16, 2017, REVERSES the Bankruptcy Court's holding that PACA does not apply to the pack outs that occurred on September 18, 19, 22, and 28, 2017, and October 3 and 10, 2017, and REVERSES the Bankruptcy Court's determination that the setoffs apply to Scott Farms's PACA claim. The setoffs apply only to Scott Farms's unsecured claim. The court REMANDS the case to the Bankruptcy Court for further proceedings consistent with this opinion.

**This Judgment Filed and Entered on September 27, 2019, and Copies To:**

Brian David Darer	(via CM/ECF electronic notification)
Catherine G. Clodfelter	(via CM/ECF electronic notification)
Gregory Byrd Crampton	(via CM/ECF electronic notification)
Joseph Z. Frost	(via CM/ECF electronic notification)
Laurie B. Biggs	(via CM/ECF electronic notification)
Trawick H. Stubbs, Jr.	(via CM/ECF electronic notification)
Steven Craig Newton, II	(via CM/ECF electronic notification)

DATE

September 27, 2019

**PETER A. MOORE, JR., CLERK**

By: /s/ Nicole Sellers  
Deputy Clerk